Wealth Markets and Commerce

Finance - Economics

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The report from London that the Bolshevik government is soon to issue a decree repudiating the national debt is important, if true. Excluding advances made by the United States government, aggregating $325,000,000, the American investment in Russian government securities is very large, amounting to perhaps $100,000,000, including external and internal loans floated in this market. It was the provision that "all loans and treasury bonds held by foreign subjects abroad or in Russia are repudiated" that aroused the greatest interest in Wall Street, because the larger American stake is in the externals. There has been much speculation in these bonds, even since the Russian revolution upset the market. Many speculators, attracted by the fantastic yields at the recent low prices, have bought them. That the report was not given much credence in the financial district was evident from the strong tone of the bonds on the curb market. The 5½s closed at 50, up two points, while the 6½s made a net gain of one point, closing at 57. The news came too late in the day to exert its full effect upon the market, however, and a reaction would not be surprising.

Even if the Bolsheviki should carry out their repudiation intention, the action would not be accepted as final, at least as far as the holders of the external loans are concerned. Sooner or later the repudiation itself would have to be repudiated, for otherwise Russia could not hope to maintain economic relations with the United States, Great Britain, France, Japan and the other countries which have taken her securities. The few hundreds of millions Russia owes to the world would be too high a price to pay for the international trade isolation which such repudiation would bring. That is understood and emphasized even in Germany, whose stake must be small, if she has anything at all at stake. The "Frankfurter Zeitung" was much upset at the first suggestion of Russian repudiation of its debts to the Allies. Several weeks ago it said:

"A permanent repudiation of all foreign obligations would put everything in the shade which has yet been experienced from the wickedest and weakest European debtors—such as the Portuguese. The history of state debts, at least in the nineteenth and twentieth centuries, knows no such impudent case, except in the civilized lands of Mr. Wilson, where some particularly distinguished states like Georgia have simply denied their obligations. From a purely Russian point of view the procedure must be described as a terrible risk. Russia needs enormous amounts of capital for the exploitation of her immeasurable natural wealth. Who will provide this capital after the present experiences? . . . Our opinion will seem all the more weighty to all unprejudiced persons because the measure which the Russians announce constitutes an absolute catastrophe for our chief enemies, while we Germans have become at present one of Russia's smallest creditors. A government like the Russian government, which is so very dependent upon the sympathies of the rest of the world, ought not to ignore the facts. If the Russian government refuses to listen to warnings against the proposed unconditional repudiation, the country will have to suffer severely for a long period from the incalculable consequences."

The latest figures issued by the Federal Bureau of Labor Statistics cover the month of October, and indicate that there was then a tendency toward improvement in labor market conditions. In ten of the thirteen industries making returns the number of workers increased over the preceding month, while two of the three trades reporting decreases may be classified as partly non-essential industries. The figures suggest that labor was being released from non-essential production and indicate that therefore the campaign to induce curtailment of private consumption is meeting with some measure of success. The comparison with employment a year before was still bad, however, in most cases, more than half the industries reporting smaller working forces. The percentage of change in the number of employes in October, 1917, compared with the preceding month and the corresponding month a year before, follows:

Industry	Sept. 1917.	Oct. 1916.
Boots and shoes	+2.0	—6.0
Cotton manufacturing	—0.2	—2.5
Cotton finishing	—0.5	—0.3
Hosiery and underwear	+1.1	—0.1
Woollen	+1.8	+5.8
Silk	—2.8	—9.4
Men's ready-made clothing	—2.2	—5.6
Iron and steel	+2.0	+11.4
Car building and repairing	+6.7	—7.5
Cigar manufacturing	+6.9	—0.2
Automobile manufacturing	+1.1	—4.4
Leather manufacturing	+0.3	—6.2
Paper making	+1.3	+6.8

That wage rates were steadily advancing is shown by the fact that even in those trades employing fewer workers the total wage bill was larger in October than in September, while in only one industry—silk—was there a decrease in the total of wages paid compared with October, 1916. In this industry the payroll was 1.9 per cent smaller, while the number of employes decreased 9.6 per cent.

In spite of the slight improvement reported, the labor shortage is still acute in sections where industry is not hamstrung by lack of coal. The Miners' Bank of Wilkes-Barre makes the following statement of conditions in the district in which it is located:

Industries of the Wyoming Valley could easily use 10,000 more workers if they could obtain them. Wages in all industries are higher than ever before. With the advances just granted as of January 1, the prevailing schedule shows increases within two years ranging from 20 to 61 per cent. Working conditions were never more advantageous for the ambitious wage earners than they are to-day. Although the cost of living is high, the wage advances in various industries have, it is believed, more than compensated for the rise in commodity prices. There has been a good deal of rival bidding for help, which is not unnatural in view of the unprecedented pressure upon plants, mills and manufacturers for increased outputs. Some of the plants in this district have orders enough in sight to keep them busy for six months to come, without any new business at all. But new business is being offered in greater volume than the manufacturers can provide for, owing to the difficulty of procuring an adequate supply of workmen and material.

The labor problem is becoming more intimately related to the coal problem every day. If the coal situation is as bad as it is said to be we may soon be grappling with the question of taking care of idle workers instead of striving to find enough to meet the demand.

Cotton's Advantage

Financial Editor, The Tribune.

Sir: As bearing somewhat on your article to-day relative to cotton and grain prices, we take the liberty of enclosing tabulation which may interest you or your readers.

E. W. WAGNER & CO.
New York, Jan. 10, 1918.
[Enclosure.]

Percentage increase over previous five-year average in price of farm products:

	Per Cent.		Per Cent.
Corn	115	Potatoes	103
Wheat	130	Sweet Potatoes	56
Oats	71	Hay	68
Rye	116	Tobacco	235
Buckwheat	115	Cotton	177
Rice	114	Sugar Beets	30

Money and Credit

Offerings of funds for fixed periods were substantially increased by lending institutions yesterday, and rates were accordingly reduced in this market to an average of ¼ per cent for all maturities. A somewhat larger business was reported in loans against industrial securities as collateral running for ninety days and four months at 5¾ per cent. The recent rate on loans of this character has been 6 per cent. At the Stock Exchange the call money rate was held at 4 per cent, unchanged from Wednesday.

Ruling rates for money yesterday, compared with a year ago, were as follows:

	Yesterday.	Year ago.
Call money	4%	2%
Time money (mixed collateral):		
60 days	5½@5¾%	2½@2¾%
90 days	5½@5¾%	2¾%
4 months	5½@5¾%	2¾@3%
5 to 6 months	5½@5¾%	3%

Commercial Paper.—The trend of this market was toward increasing ease yesterday, although rates as a rule were generally unchanged at 5¾ to 6 per cent for the best regular maturities.

Official rates of discount for each of the twelve Federal districts are as follows:

	15 or less	Over 15 up to 30	Over 30 up to 60	Over 60 up to 90
Boston	4	4	4½	4½
New York	3½	4	4½	4½
Philadelphia	4	4	4½	4½
Cleveland	4	4½	4½	4½
Richmond	4	4½	4½	4½
Atlanta	4	4½	4½	4½
Chicago	4	4½	4½	5
St. Louis	4	4½	4½	4½
Minneapolis	4	4½	4½	5
Kansas City	4	4½	4½	4½
Dallas	4	4½	4½	4½
San Francisco	4	4½	4½	4½

Bank Clearings.—The day's clearings at New York and other cities:

	Exchanges.	Balances.
New York	$406,155,951	$40,294,616
Boston	44,277,117	8,438,449
Chicago	80,891,900	6,526,624
Philadelphia	54,528,518	11,378,898
St. Louis	23,330,965	4,315,457

Sub-Treasury.—New York banks lost to the Sub-Treasury $1,721,000.

Silver.—Bars in London, 45¼d, unchanged; New York, 90¼c, unchanged; Mexican dollars, 73c, unchanged.

Bank of England.—LONDON, Jan. 10.—The Bank of England's weekly statement shows a decrease of £120,174 in gold holdings, compared with a week ago. The proportion of reserves to liabilities now stands at 19.71 per cent, against 16.30 a week ago. The statement follows, with the changes from last week:

		Decrease.
Gold	£59,078,666	£120,174
Reserve	31,825,000	*768,000
Notes reserve	25,578,000	*754,000
Circulation	45,702,000	887,000
Public deposits	37,899,000	*5,824,000
Other deposits	122,533,000	34,878,000
Gov't securities	46,857,000	13,966,000
Other securities	90,661,000	15,819,000

*Increase.

London Money Market.—Money was in better demand at 3¼ per cent and discount rates were firmer, with short bills quoted at 3 31-32 per cent and three months' bills at 4 1-32 per cent.

Bank of France.—PARIS, Jan. 10.—The Bank of France reports an increase in gold of 1,999,000 francs. The statement with the changes, in francs, from a week ago follows:

Gold	5,357,462,000	Inc.	1,999,000
Silver	248,118,000	Dec.	19,000
Circ	22,982,747,000	Inc.	193,669,000
Gen. dep	2,723,921,000	Dec.	80,741,000
Treas.dep	156,409,000	Dec.	180,090,000
Bills dis	2,076,993,000	Dec.	90,032,000
Advances	1,233,356,000	Dec.	44,000

Dollar in Foreign Exchange

Early strength of Italian exchange yesterday, when lire sold up to 8.57 for checks, was followed later in the day by a reaction to 8.40 on a slight increase in offerings. The peace talk was held responsible for a fresh decline in Holland exchange, check guilders falling ¼ to 42¾ cents. Stockholm checks were ¼ off at 32 cents. Sterling and francs held firm.

Closing rates yesterday, compared with a week ago, are given in the table below. American bankers have suspended all dealings in German and Austrian exchange, so that daily quotations for either marks or kronen are no longer available.

(Quoted dollars to the pound.)

	Yesterday.	Week ago.
Sterling, demand	$4.75¼	$4.75½
Sterling, sixty days	4.71½	4.71½
Sterling, cables	4.76¼	4.76⅞
Sterling, ninety days	4.69½	4.69½
(Quoted units to the dollar.)		
Francs, demand	5.73	5.73¾
Francs, cables	5.71	5.71⅝
Lire, checks	8.40	8.44
Lire, cables	8.39	8.42
Swiss, checks	4.49	4.37
Swiss, cables	4.47	4.35
(Quoted cents to the unit.)		
Guilders, checks	42¾	44
Guilders, cables	43¼	43½
Rubles, cables	13.25	13.00
Stockholm, kr., checks	32.00	33.00
Copenhagen, kr., checks	30.00	31.00
Pesetas, checks	24.35	24.38

Below is given the current exchange value of foreign money in dollars and cents, together with the intrinsic gold parity, as calculated by the United States Mint:

	Current exchange value.	Intrinsic value.
Pounds, sterling	$4.75¼	$4.86⅝
Francs	0.17.5	0.19.3
Guilders	0.43.00	0.40.2
Rubles	0.13.00	0.51.2
Lire, checks	0.12.00	0.19.3
Crowns (Denmark)	0.30.00	0.26.8
Crowns (Sweden)	0.32.25	0.26.8

The above rates express the cost of foreign money in terms of the American dollar. You buy an English pound sterling at, say, $4.75¼. The intrinsic parity is $4.86⅝ per pound. Thus, you say either that pounds are at a discount or that dollars are at a premium, which is owing to the fact that in England the demand for dollars with which to settle accounts in this country is greater than the demand in this country for pounds with which to settle accounts in England.

Messenger a Board Member

Pays $55,000 for Seat on the Stock Exchange

Max Siegal, who has been a employe of the Stock Exchange for the last fifteen years, has bought a seat at a cost of $55,000. For the last few years Siegal has held the title of sergeant, in which capacity he has had charge of the messenger boys on the floor of the exchange. He purchased the membership of the late Stewart Barr.

This transaction is only one of a number that have taken place on the Stock Exchange during the last two years where employes have been the buyers of seats. Young Siegal is popular among his associates, and his rise to fame is generally commended.

Other transfers of exchange memberships announced yesterday included the purchase of the seat of Thomas F. Baxter by Henry C. Jenssen for $55,000. Robert W. Morgan has sold his membership to Edward F. Hutton for $50,000.

American Can Co. Issues $12,000,000 Short Term Notes

Securities Will Be Available for Rediscount at Federal Reserve Bank

The First National Bank announced yesterday that it had bought from the American Can Company $12,000,000 of its serial notes, to be dated January 21 next, maturing in equal instalments in seven, eight, nine and ten months.

The proceeds of the notes will be used chiefly, according to a statement issued by the bank, to pay for tinplate, which will be converted into finished products to meet the requirements of the company's customers for the coming season. In this connection it was pointed out that the notes will be self-liquidating and from their commercial character may be rediscounted at the Federal Reserve Bank.

Subscriptions to the issue will be received on a 7 per cent discount basis. This is the second industrial issue of importance that has been announced since the United States entered the war against Germany, where the securities possessed the rediscount privilege afforded by the Federal Reserve system. Last November the American Tobacco Company sold $25,000,000 ninety-day 6 per cent notes to a syndicate headed by the Guaranty Trust Company.

The last previous financing negotiated by the American Can Company was early in 1913, when $11,872,500 fifteen-year 5 per cent debentures were issued. They mature February 1, 1928.

William A. Read & Co. announced yesterday that they had bought $3,000,000 two and three year 6 per cent notes of the American Gas and Electric Company. The two-year notes amount to $2,500,000 and the three-year notes to $500,000. Both issues are being offered on a basis to yield 7½ per cent.

U. S. Steel's Unfilled Tonnage Larger

First Increase Since April Due Partly to Smaller Shipments

For the first time since April, 1917, the unfilled tonnage statement of the United States Steel Corporation shows an increase in the amount of business on hand, the report as of December 31 last showing a total of orders on the books of 9,381,718 tons, an increase of 484,612 tons, compared with the preceding month.

A year ago the unfilled orders of the Corporation aggregated a total of 11,547,286 tons, while the high water mark of last April was 12,183,083 tons of unfilled business. In the steel trade it was pointed out that the December figures indicated that incoming new business during that month had been nearly 20,000 tons a day in excess of actual shipments.

Inability of the corporation to ship its products, due to the inadequate transportation facilities, rather than any marked increase in the volume of new business, is said to have been mainly responsible for the increase in unfilled orders.

The following table gives the unfilled tonnage of the Steel Corporation at the close of each month since January, 1915:

	1917.	1916.	1915.
Jan.	11,474,054	7,922,767	4,248,571
Feb.	11,576,697	8,568,966	4,345,371
Mar.	11,711,644	9,331,001	4,256,749
Apr.	12,183,083	9,829,551	4,162,244
May	11,886,591	9,937,798	4,264,598
June	11,383,287	9,650,458	4,678,196
July	10,844,164	9,593,592	4,928,546
Aug.	10,407,049	9,660,357	4,908,445
Sept.	9,833,477	9,552,584	5,317,618
Oct.	9,009,675	10,015,260	6,165,452
Nov.	8,897,106	11,058,542	7,189,489
Dec.	9,381,718	11,547,286	7,806,220

Bush Terminal Report

The Bush Terminal Company, whose piers and warehouses in South Brooklyn were recently taken over by the United States government, in a report of operations made to the New York Stock Exchange for the ten months ended October 31 last, shows gross earnings of $2,886,316 compared with $1,955,237 for the full year of 1916.

After operating expenses and charges for taxes and interest, the balance left for the ten months period totalled $953,887 compared with $939,624 in the twelve months of 1916.

Significant Relations

Money and Prices:

	Now.		A year ago.
Stock of money gold in the country	$3,040,472,040		$2,741,669,491
	Nov. 20, 1917.		Nearest period previous year.
Loans of all national banks	$9,535,000,000		$8,345,784,000
	Last week.		A year ago.
Bills discounted and bought by Federal Reserve Banks	$897,151,000		$148,024,000
Federal Reserve notes in circulation	1,251,205,000		272,873,000
Total gold reserve	1,687,720,000		*742,032,000
	Yesterday.	The day before.	A year ago.
Average price of 15 railroad stocks	91.20	90.85	116.60
Average price of 12 industrial stocks	83.10	82.25	98.13
	Last week.	The week before.	A year ago.
Food cost of living (Annalist index number)	277.94	279.15	209.29
	Dec. 1.	Nov. 1.	A year ago.
General commodity price level (Dun's index number)	220.172	220.750	168.090

Production:

	Dec. 31.	Nov. 30.	A year ago.
Unfilled U. S. Steel orders, tons	9,381,718	8,897,106	11,547,286
	December.	November.	A year ago.
Pig iron (daily average), tons	92,997	106,859	102,293
	1917 yield, estimated.		The 1916 crop.
Wheat crop, bushels	650,828,000		636,318,000
Corn crop, bushels	3,159,494,000		2,566,927,000
Oats, bushels	1,587,286,000		1,251,837,000
Cotton crop, bales	10,949,000		11,449,930

Distribution:

	Dec. 1.	Nov. 1.	A year ago.
Net unfilled freight car requisitions	117,132	140,012	107,778
	Increase or decrease from last year: Third week of Dec. (20 roads)	Month of Oct.	Jan. 1 to Oct. 31. (All Class I roads)
Gross railroad earnings	+6.2%	+12.6%	+12.0%
	Increase or decrease from last year: Last week.	The week before.	Year to date.
Bank clearings	+5.2%	+2.3%	

General:

	November.	October.	A year ago.
Active cotton spindles	33,604,650	33,576,922	32,758,045
Commercial failures (Dun's):	December.	November.	A year ago.
Number	1,055	981	1,252
Liabilities	$14,043,716	$13,635,605	$16,745,27[illegible]
Building permits (Bradstreet's):	November.	October.	A year ago.
Number	15,672	16,943	21,410
Amount	$42,121,364	$38,417,83[illegible]	$74,162,691

*Gold held by Reserve agents against circulation included in general fund beginning June 23, 1917. For purposes of comparison it is included in the 1916 figures.

Relevant Comment

Pittsburgh's Minimums

In Pittsburgh the minimum prices established for stocks last fall when the big break occurred, and which are still in force, have given rise to complications. Take, for instance, the case of the preferred stock of the American Window Glass Machinery Company, which will be ex-dividend 14¾ per cent next Monday. The minimum prices established by the Pittsburgh Exchange on this issue is 90. This has not been reduced, so that apparently the holder of the stock will receive the cash dividend and at the same time will find his shares quoted at 90 or above. This sounds like eating the cake and having it, too. Actually the quotation of 90 for the stock, as fixed by the minimum prices, really means nothing, so far as being a trading quotation. What will happen if the dividend is not taken off by a reduction in the minimum prices is that the market on the Pittsburgh Exchange in that particular issue will dry up.

The National Oil Administrator

Oil trade interests were reticent yesterday when it came to commenting upon the appointment of Mark L. Requa, of California, as national oil administrator. The general understanding is that the new official will become active in directing and insuring an equitable distribution of oil in the United States during the war, but beyond this little is known here. It is asserted that the oil administrator will have no authority to fix prices of crude oil or crude oil products. As a matter of fact, there would be much relief in the oil trade if the government would make a definite announcement regarding its future attitude toward the industry as a whole. For many weeks reports have been current that prices would be fixed, but so far nothing tangible has come out of Washington. H. G. James, of the staff of "The Oil City Derrick," recently had the following to say anent the talk of government interference in the oil industry:

"If the government wants to be assured an adequate supply of petroleum products and if it wants to encourage an industry, at the same time placing itself in a position of securing its needs at the best possible prices, let it act quickly and decisively now. Let all talk about shortage, commandeering and price fixing stop. Let coöperative methods obtain, and the results will be amazing. Industry has proved that coöperation is a wonderful stabilizer and stimulant. The Federal government might also prove it, without resort to dangerous methods of policy or practice."

Germany in Receptive Mood?

It may have had little significance, yet it was remarked upon as an interesting coincidence yesterday that the recovery in the stock market which took place in the afternoon following a forenoon session of sagging prices occurred simultaneously with private reports received by brokerage houses that Germany was in a receptive mood and would likely make a favorable response to President Wilson's statement of our war aims. Shortly afterward the news tickers printed Washington dispatches to the effect that Sweden would be asked by Germany to act as a go-between with the Allies. Almost immediately Steel common on a moderate volume of buying rose from 94⅞ to 96, closing ¾ up at 95¾. The upward movement in Steel may have been stimulated by the first increase in unfilled tonnage orders of the corporation reported since last April.

Northern Securities Company

The report of the Northern Securities Company for the calendar year 1917, issued yesterday, showed total income of $271,045, compared with $285,480 in 1916 and $119,704 in 1915. The balance after the payment of $138,383 in dividends amounted to $108,179, compared with $188,245 the preceding year.

General Electric Operations

In connection with its application to list additional capital stock, the General Electric Company yesterday made a report to the New York Stock Exchange covering operations for the six months period ended June 30 last. It showed sales billed of $99,596,769 and a balance available for dividends of $19,776,174. The condensed balance sheet as of June 30 showed cash on hand of $10,850,857, compared with $12,167,707 at the close of 1916 and $30,138,913 in December, 1915.

A Change in Time?

Ticker tape readers were much interested yesterday to notice that instead of the usual "Hammonds time 2:15," which for over forty years has appeared every weekday except Saturday and holidays, there was printed "delivery time 2:15." Wall Street immediately reached the conclusion that the tSock Exchange had ordered a departure from its usual way of denoting that at 2:15 all sales made on the previous day must have been delivered. Inquiry at the offices of the exchange, however, showed that the change was probably an error, as those with authority to speak said they had no knowledge that any alteration had been ordered.

United Kingdom Notes

The Bankers Trust Company is calling the attention of holders of one and two year 5½ per cent convertible gold notes of the government of Great Britain and Ireland, maturing February 1, to the requirement for giving ten days' written notice of their intention to convert the notes into the 5½ per cent bonds of 1937.

Coöperative Bond Dealers

The bond department of the Equitable Trust Company yesterday announced the details of a plan for economical coöperation among independent bond dealers and banks with bond departments throughout the country. The plan provides for the elimination of a great deal of the local machinery now used in the distribution of securities. It will furnish service to local dealers and banks through a central organization. It is understood that a number of dealers and banks have already become participants in the plan.

Elections

Following publication of the news that Max May had been temporarily relieved of his duties as vice-president and head of the foreign exchange department, the Guaranty Trust Company announced yesterday that Sigmund Metz had been appointed an assistant manager of the foreign department. Since May, 1916, Mr. Metz has been the South American representative of the bank, having been stationed at Buenos Ayres.

Concerning Mr. May's retirement, it was stated that he may return to the Guaranty Trust Company after the war. He is a German by birth, but is a naturalized American citizen, having lived in the United States during the last twenty-five or thirty years. Owing to his German origin, however, it was thought best not only by the Guaranty Trust board but by Mr. May himself that he sever official relationship with the bank to avoid any possible outside criticism.

H. C. Sylvester has been elected a vice-president of the National City Bank.

Seeks to Check Craze for Starting Smaller Banks

Minnesota Official Would Prohibit State Charters Until After War

[Special Correspondence]

MINNEAPOLIS, Jan. 7.—F. W. Pearson, of the State Department of Banking, has announced that he will recommend to the Minnesota Public Safety Commission that it issue an order to prohibit chartering of new state banks until the close of the war. Mr. Pearson gave as his reason for this proposal that people now putting their money into stocks of these new banks would buy Liberty bonds instead.

The suggestion meets with the approval of conservative financial interests here, who are beginning to view with disfavor the continued announcements of new banks opening or in a formative stage. There are enough banks in Minneapolis now, they contend. As one observer facetiously remarked:

"One cannot throw a stone in Minneapolis to-day without hitting a bank director, and the names of corner grocers, railway clerks and street car conductors are beginning to appear on the directorates."

Twelve new banks were organized in this city in 1917, a new one coming into being every thirty days on the average. There were thirty-eight a year ago, and now there are fifty. These are the comparative figures:

	1917.	1918.
National banks	4	5
State banks	27	38
Trust companies	3	4
Savings banks	4	3
Total	38	50

Most of the new banks are capitalized at $50,000, and what is known as "neighborhood" banks, located in business districts outside the centre, some at distances of several miles from "downtown" Minneapolis.

If one goes back two years the comparison is more striking. There are seventeen more banks here now than there were in 1916.

Some of these small banks which were first organized have been prosperous, and dividends have been paid within a year or eighteen months after organization. The field, therefore, has been an attractive one.

Whether the organization craze will continue through 1918 is what is worrying the heads of the larger banks and conservative bankers generally.

News Digest

Foreign

London Market Cheerful.—LONDON, Jan. 10.—The stock market maintained a cheerful tone to-day. President Wilson's message was a strengthening factor, especially in Russian issues, which were strong, the latest Petrograd news having no effect. Speculative issues were more active, particularly Eastern Kaffirs, tin mines and oil shares, while British American Tobacco was a leading feature on dividend announcements. Home funds and shipping shares were steadily supported.

Paris Bourse.—PARIS, Jan. 10.—Trading on the Bourse to-day was calm. Three per cent rentes were quoted at 58 francs 25 centimes for cash, exchange on London at 27 francs 18 centimes and the 5 per cent loan at 88 francs 45 centimes.

Domestic

Exempts Liberty Bonds From State Tax.—HARTFORD, Conn., Jan. 10.—Attorney General George E. Hinman to-day announced that banks were exempt from taxation on Liberty bonds held for customers who were paying for them by instalments. His finding came as the result of a query by Tax Commissioner William H. Corbin as to whether the state could impose a tax. The Attorney General holds that neither the equity held by the customer nor that of the bank on partly paid for bonds of the Liberty issues are taxable against the banks. That is, if the bonds held by a bank were two-thirds paid for the third still owned by the bank would be tax exempt as well as the two-thirds acquired by the customers.

Minerals Separation Suit To Be Heard in March.—The Court of Appeals of San Francisco has set March 8 as the date for the case or appeal of the case, involving damages approximating $15,000,000 awarded to the Minerals Separation Company of Sweden against the Butte and Superior Company.

Large State Revenue from Corporations.—ALBANY, Jan. 10.—Business corporations added approximately $30,000,000 to the state's coffers last year, according to a report of State Controller Travis made public to-night. The Controller's figures are based on the total amount received from taxes, fees and fines from the several corporations like insurance, banking, transportation, telegraph, telephone, lighting, power, manufacturing and other companies.

Italy's 1917 Wheat Crop

According to the Bulletin of the Ministry of Agriculture in Rome, the wheat crop of Lombardy for 1917 was 30 per cent less than an average one. The crop for the whole of Italy for 1917 was 3,810,200 metric tons, compared with 4,804,400 tons for 1916, and for Lombardy 324,500 tons as against 498,500 tons in 1916.